CARS™
Comprehensive Ratings for CDFI Investments.

Social Impact Measurement for Community Development Banks

Prepared for
Community Development Bankers Association

Prepared by

Jenifer Mudd
CARS™

with

Dana Weinstein
Jay Subramaniam
Community Development Bankers Association

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I. Introduction

Community Development Banks (CDBs or CDFI banks) provide lending, depository, and other financial products and services to low- to moderate-income (LMI) individuals and businesses located in economically distressed geographies throughout the United States. As such, these banks work to create positive economic and social impact in the communities where they are chartered to conduct business.

This report was prepared for the Community Development Bankers Association (CDBA), the national trade association for the Community Development Bank sector in the United States. The U.S. Treasury Department's CDFI Fund reports that there are approximately 80 FDIC-insured banks and thrifts certified as Community Development Financial Institutions (CDFIs). CDFI-certified banks have a primary mission of promoting community development in underserved urban, rural, and Native communities in the United States.

Collection and analysis of social impact data is critically important for all CDFIs to understand how effectively they are serving their target markets and to ensure the alignment of strategies and operations with the achievement of mission-related goals. CDFI social impact data collection has advanced significantly in the nearly two decades since the creation of the CDFI Fund in 1994. CDBA members recognize that CDFI banks' capacity to collect and use social impact data to advance program strategies significantly lags behind the banks' capacity to deliver credit and financial services to the communities they serve.

This report is a first step toward building the internal capacity of the CDFI bank sector to:

- Collect and analyze data at the borrower and community level to assess the social impact of its lending, service, and other activities;
- Use the information collected to communicate to stakeholders the effectiveness of its work and to differentiate it from non-mission based financial institutions;
- Inform future product and service delivery strategies and ensure alignment of mission, strategy, and operations;
- Share best practices in social impact analysis among peer CDFI banks, and
- Aggregate and understand the social impact of the entire CDFI banking sector.

To gain a better understanding of where the community development banking sector currently stands in relation to social impact measurement, CARS™ and CDBA conducted a landscape survey of 10 CDBA member banks. The purpose of this survey was to (1) identify the types of information already collected by the banks; (2) understand the methodologies for data collection; (3) identify any common or best practices that—if shared and adopted by other banks—could help expand the data collection potential of the sector; and (4) understand the impact data collection potential of the sector.

Each of the banks volunteered to participate in the analysis as a means of advancing the field (see *Appendix A)*. The information gathered from telephone surveys, reports, and data provided by the banks on their current activities form the basis of this report.

Irrespective of differences among CDBs—geographic focus, asset size, and the range and complexity of products and services— the survey confirmed social impact measurement can be a valuable tool not only for satisfying regulatory or funder reporting requirements, but also for assessing how well a bank's operations are aligned with its mission of promoting community development in its target markets. To that point, this report highlights the unique approaches being implemented by several CDBs to meaningfully incorporate the use of social impact measures into the framework of their organizations.

II. Social Impact Measurement Defined

Social impact indicators typically fall into two main categories: (1) output data and (2) outcome data. **Output data** refers to any data about an institution's activities and services that is collected at the time of service delivery (e.g., at loan application in-take or loan closing). Examples include:

- Customer characteristics, including gender, income level, geographic location, NAICS industry code, tax status, number of existing employees in the business, etc.;
- Dollar amount and number of loans closed or disbursed;
- Type or purpose of loans (e.g., construction and land development, multifamily, commercial and industrial);
- Number and type of depository accounts (checking, savings, time deposits) opened or closed;
- Hours of counseling or technical assistance provided;

Outcome data describe the value of the bank's work for its customers or the communities it serves, gathered at some point *after* the bank's delivery of services. Such data allows management to understand what changes have transpired since the bank provided capital or other services.

There are two categories of outcome data: "Intermediate outcome" data focuses on medium-term results, while long-term results are measured via the collection of "end outcome" data. Examples of **intermediate outcomes** include: (1) a bank makes a loan to rehab a multi-family housing development and, *as a result*, X number of units are rehabbed and X number of units are deemed affordable; (2) a bank makes a loan to a small business and, *as a result*, the business is able to create and/or retain X number of jobs. Examples of intermediate outcome indicators include:

- Number of jobs created or sustained,
- Number of full-time "livable wage" jobs created,
- Number of childcare slots created,
- Number of housing units developed,
- Number of housing units rehabbed,
- Number of housing units occupied by low-income people, and
- Number of businesses with improved access to financing.

Examples of **end outcomes** include: (1) a bank makes loans to rehab single-family homes in a distressed neighborhood and, *over time*, this action plays a part in the stabilization of the community as measured by increased housing values and/or a drop in the crime rate; (2) a bank makes a loan to a small business and, *over time*, this service delivery helps contribute to a rise in revenues, a growing equity base, and increased take-home pay for the business owner. Examples of end-outcome indicators include:

- Change in affordability of housing in a certain neighborhood,
- Change in business revenue and business equity,
- Change in take-home pay of business owners,
- Change in poverty rate,
- Change in unemployment rate, and
- Change in crime rate.

III. Social Impact Measures Currently Collected by CDBs

Community development banks are already gathering a significant number of output indicators. Regulatory and funder reporting requirements currently drive much of CDBs' data collection efforts. In fact, the landscape survey identified 158 distinct metrics collected by the 10 banks. The largest number of indicators collected by a bank was 77 and the smallest was 18. The median number was 32. Of the 158 metrics, a total of 32 of these measures are required by one or more banking regulators under the Community Reinvestment Act (CRA), Equal Credit Opportunity Act (ECOA), and the Home Mortgage Disclosure Act (HMDA). A total of 108 indicators are required

for banks that opt to participate in Federal programs (e.g. CDFI Program, New Market Tax Credit (NMTC) Program). The remaining 28 indicators have been independently adopted by the banks.

Outputs and Outcomes

Tables 1 and 2 highlight the most commonly collected outputs and outcomes metrics by the 10 banks participating in the survey. *Appendix B. Impact Indicators Currently Collected by Survey Participants* provides a comprehensive list of all indicators and which banks utilize them. Whether a bank reports specific metrics is influenced by the type of product lines offered by each bank. *Appendix C: Survey Participant Portfolio Composition* provides the Q1 2013 outstanding portfolio composition of the 10 banks.

Table 1. Summary of All Outputs

Outputs	# Banks
# Loans Originated	10
$ Loans Originated	10
Census Tract	10
Loan Purpose - Small Business (CRA)	10
$ Annual Gross Revenue (CRA)	10
Loan Amount	10
For-Profit / Non-Profit Status	10
% LMI	10
State	7
Location	7
Owner Occupancy Of Property	6
Loan Purpose - Home Mortgage (HMDA)	6
Metropolitan Service Area (HMDA)	6
Property Type	6
% Area Median Family Income	6
$ Annual Business Revenue	5
Metropolitan or Non-Metro	5
# Minority-Owned Business (NMTC)	5
Race / Ethnicity (NMTC)	5
% Owner-Occupied Housing	5
% In Labor Force	5
# Women-Owned (NMTC)	5
% High School Graduate Or Higher (NMTC)	5
# Low Income Persons Served (Estimate)	5
% Families Below Poverty	5
# Business by Industry / NAICS Code	5
Sex	5
% Poverty Rate (NMTC)	5
# Deposit Customers	4
# Small Businesses	4
# Businesses	4
$ Gross Annual Income Of Borrower (HMDA)	4
Race / Ethnicity (HMDA)	4
$ Deposit Customers	4

Table 2. Summary of All Outcomes

Outcomes - Intermediate	# Banks
# Jobs Created / Retained - Projected	8
# Sq Ft Developed Commercial Real Estate	6
# Affordable Housing Units (NMTC)	5
# Construction Jobs Created / Retained - Projected	5
# Affordable Housing Units - General	3
% Renter Occupied Housing Units	2
# Sq Ft Rehab Commercial Units	2
% Owner Occupied Housing Units	2
Δ % Unemployment Rate	2
# Construction Jobs Created / Retained - Actual	2
# Sq Ft New Construction Commercial Units	2
# Housing Units	2
# Jobs Created / Retained - Actual	2
# Sq Ft Community Facilities	2

Outcomes - Long Term	# Banks
Δ % Poverty Rate	2
Δ % Employment Rate	1
Δ Property Values	1
Δ % Educational Attainment	1

In total, the 10 banks are collecting 103 output measures, 51 intermediate outcome measures, and four long term outcome measures. As shown in Table 1, only eight output indicators are collected by all 10 banks, all of which are required by CRA and/or HMDA and have standard definitions. Among the remaining common output indicators listed in Table 1, all are either required and defined by the regulatory agencies or CDFI Fund or are derived from secondary government sources.

Among the intermediate outcome indicators, six common metrics were reported by two or more banks. All of the intermediate outcome indicators are defined by the CDFI Fund and the banks reporting the data are participants in the CDFI Financial Assistance and/or New Markets Tax Credit Program. Among the four long term outcome indicators reported, all measure community change over time. =

Lack of standardized impact metrics is a significant challenge within the CDFI field generally, including for the CDBs. While the 10 banks are collecting the same indicators in some circumstances, there are differences in how

many metrics are defined.[1] The job creation and retention indicators (see *Appendix B. Impact Indicators Currently Collected by Survey Participants*) provide a good illustration of this definitional challenge. The survey identified 12 distinct "job" related metrics that are collected by eight of the 10 banks. Only six of 12 metrics were shared by two or more banks: (1) Projected number of jobs created or retained (eight banks); (2) projected number of construction jobs created or retained (five banks); (3) number of jobs at loan closing (three banks); (4) number of low-income employees (two banks); (5) actual number of jobs created or retained (two banks); (6) or actual number of construction jobs created or retained (two banks).

Use of Secondary Data

Secondary data from third parties, including government, proprietary, or academic sources, can easily be used as impact indicators, provided a CDB consistent geo-codes census tract data for loans or other transactions. All 10 of the participating banks currently collect census tract location data for most or all of their loans. Census tract location data can be used to create simple output measures that indicate the extent to which a bank is targeting resources to a focus area (e.g. as required for CDFI certification). If a bank is targeting their efforts within a particular geographic area(s), secondary sources can be used to develop a set of outcome indicators that track economic and community well-being over time. For example, Neighborhood National Bank has been tracking changes in poverty rates and unemployment within its target urban neighborhoods since 1997 (see *Case Study 1: Using Secondary Data Sources to Understand Your Impact*). Similarly, Southern has developed a broad set of economic and community well-being indicators that it plans to collect over 20 years to track its progress in improving the quality of life in the rural region it serves.

Secondary data is potentially an inexpensive, easy-to-access resource for the tracking of a CDFI's outcomes. A total of 55 secondary metrics are being collected by the 10 banks, of which 43 are used by only one bank. The mean number of secondary measures collected per bank is 5.5. The most frequently used secondary data indicators tracked by the CDBs are (1) percentage of area median family income (six banks), (2) percentage of families below poverty line (five banks); and (3) percentage of the population below poverty line (five banks). While data on employment status is collected by six banks, only two banks use the same indicator. Among those six banks, six distinct employment data measures are collected.

Impact Measures Developed by Banks

Some banks are currently collecting only those indicators required for regulatory purposes. There are a number of CDBs, however, that have chosen to track a wider array of indicators. Such indicators serve as guideposts to help each bank determine how well-aligned its operations are with its mission to serve LMI individuals and communities. For example,

- One PacificCoast Bank has developed output indicators to assess progress made in each of its key lending sectors (e.g., sustainable food and agriculture, clean technology, social services, and neighborhood stabilization).
- Sunrise Bank is tracking basic output metrics by product type (e.g., loans, deposits, prepaid cards, and Earned Income Tax Credit (EITC) preparation services). For EITC, the bank is collecting outcome data on the dollar amount refunds received by clients.
- Neighborhood National Bank (NNB) is using third-party data on poverty and unemployment rates to track changes over time in its target communities.

Apart from the social impact indicators already collected by CDBs, seven of the 10 survey participants expressed a desire to augment their impact data either by collecting demographic data on all borrowers (i.e., race, ethnicity, gender) or by tracking additional outcome indicators. The "wish list" of outcomes largely included measures that would require a return to borrowers post-loan closing to gather the data (e.g., number of jobs actually created or retained, number of livable wage jobs actually created or retained, increase in the personal wealth of homeowners,

[1] The Landscape Survey gathered information on the specific measures collected by each bank. Where feasible, the report attempted to consolidate duplicate measures collected by different institutions. In many cases, however, some banks were collecting similar but not the same metrics. This analysis did not explore in detail the definitional similarities or differences between such metrics. Such an inquiry may be appropriate for subsequent research and analysis.

number of financial education students who received a car loan or home mortgage, etc.) See *Appendix D. Impact Indicator Wish List* for the full "wish list" of social impact measures.

IV. Regulatory Challenges in Collecting Data

To comply with CRA, HMDA, FHA, and ECOA, banks must report information on both the loans they provide (e.g., dollar amount, purpose) and their borrowers (e.g., annual income, location of borrower by census tract). *Appendix E: Required and Prohibited Data Types* outlines which data is required or prohibited for different product lines under each respective statute. The requirements and restrictions of each of the three regulations, when viewed as a whole, create a confusing patchwork of borrower data. The ECOA prohibits creditors from requesting the race, color, national origin, sex, or religion of borrowers (and prohibits discrimination on the basis of age, marital status, receipt of public assistance, and exercising of rights under the Consumer Credit Protection Act) for all credit transactions, <u>except</u> for purchase of primary residence.[2] ECOA's intent is to prohibit such data from being used to improperly inform loan decisions. Similarly, the Fair Housing Act restricts all housing lenders from discriminating against borrowers on the basis of race, color, religion, sex, handicap, familial status, or national origin.

In the case of the Home Mortgage Disclosure Act (HMDA), which is applicable to home mortgage lending, banks must *collect* data about the loan, such as its type and amount, the property, such as its location and type, the disposition of the application, such as whether it was denied or resulted in an origination; and the applicant, (namely, ethnicity, race, sex, and income). The Community Reinvestment Act applies to small business, small farm, and community development loans (defined as affordable housing, community services, economic development, and community revitalization or stabilization). The Act requires creditors to collect information about these loan types, though these indicators are much broader (e.g. number of loans originated, dollar amount originated). ECOA restrictions on collecting borrower characteristic data apply to all types of lending. As a result, banks have borrower characteristic data for HMDA loans, but none for other types of loans. This means that most banks do not have a complete set of demographic data on their customer base, making it difficult to fully assess their impact on their target markets.

Two CDBA member banks, Southern and CCBV, have developed strategies for collecting a wide range of customer demographic data – including race, ethnicity, and gender – while mitigating the potential risk of violating regulatory prohibitions against such data influencing credit decisions (see *Case Study 2: Overcoming Regulatory Barriers to Data Collection*). Southern will implement this strategy across the bank in the upcoming months. CCBV has already found collection of this data useful for understanding its impact well as its customers, en route to enhancing product and service delivery.

V. Use of Social Impact Data

Reporting to Internal Sources

All survey participants reported using their social impact data for both internal and external purposes. As illustrated in Tables 3 and 4, all of the banks participating in the survey share the data collected with their senior management and Boards of Directors.

[2] For purchases and refinancing of primary residences, the ECOA in fact requires that creditors request the ethnicity, race, sex, marital status, and age of their borrowers.

Table 3. Internal Reporting	Internal Party				
Participating Bank	Senior Mgmt	Board	Advisory Board	Chief Credit Officer	All Staff
Bank 2	✓	✓			
Central Bank of Kansas City	✓	✓			
City First Bank of DC	✓	✓		✓	✓
Guaranty Bank	✓	✓			
Neighborhood National Bank	✓	✓		✓	
One Pacific Coast Bank	✓	✓		✓	✓
Southern Bancorporation	✓	✓	✓		✓
Sunrise Banks	✓	✓	✓	✓	
United Bank	✓	✓	✓		
Community Capital Bank of Virginia	✓	✓	✓	✓	✓
# Banks	**10**	**10**	**4**	**5**	**4**

There are, however, survey respondents who regularly share impact data with all staff members to (1) ensure a constant focus on ways to positively influence the economic and social well-being of constituent communities and (2) create an environment in which the data can be used to actively inform management decisions about strategies, products, and services at all levels of the organization. CCBV and Southern, in particular, demonstrate active and intentional use of impact data at all levels of the organization.

CCBV has been deliberate about sharing data at all levels of the organization as a means of creating an institutional culture that supports and values such data to measure progress towards its broader institutional goals. The bank uses its social impact measurements to gain a better understanding of the different geographic areas the bank serves, both urban and rural. Because the bank shares its impact results regularly with its board (quarterly), advisory council (periodically) and full staff (monthly), it can easily draw on lessons learned from the data to inform decisions about strategies, products, and services when the situation warrants it.

Southern believes a focus on social impact data "is the bank's best shot at solving long-term issues in our target markets." Accordingly, the bank created its social metrics program to determine gaps in—and ways to improve—their programs, projects and activities. Management states Southern is "absolutely using [our data] to influence decisions."[3] Despite the costs associated with tracking such data, management believes that "there is a clear social value in improving our service and knowing who we are serving."

Reporting to External Sources

The landscape survey asked participants to identify external parties to which they are required to report data and to which they opt to report (see Table 4). All banks are required to report to external stakeholders due to regulatory requirements or agreements with government funders. Several banks use impact measures to augment their marketing efforts, attract potential shareholders, and report to the wider community via their annual reports.

Those that opt (or are selected) to participate in Federal agency programs that support community development lending also report specific impact data to those agencies. Among this subset of banks, three programs were cited—CDFI Fund, Small Business Administration, and the US Department of Urban Development's (HUD) Office of Native American Programs. There are several voluntary initiatives (e.g. NCIF, Global Alliance on Banking of Values, B Corp, and OFN for its Starbucks Initiative) that collect a mix of impact and/or financial data. Of those that collect data on impact, the focus is on measuring output (versus outcome) metrics. As noted in *Appendix H. Impact Indicators Required by Regulators & Government Funders*, the CDFI Fund has the most robust social impact reporting requirements. The banks that report under the Community Impact Information System (CIIS) have the most robust social impact data collection systems from among the 10 participating banks.

[3] For instance, social impact data has been used to help management make decisions about closing certain branches or discontinuing programs.

Table 4. External Reporting

Participating Bank	CRA	HMDA	Equal Credit Opportunity Act	CDFI Fund (Applications)	CIIS	SBA	NCIF	Global Alliance for Bank on Values	B Corp / Global Impact Investing Rating System	OFN / Starbucks	HUD Office of Native Americans	Global Impact Investing Network	General Public / Community
Bank 2	✓	✓	✓	✓		✓					✓		✓
Central Bank of Kansas City	✓	✓	✓	✓	✓								
City First Bank of DC	✓	✓		✓	✓		✓						✓
Community Capital Bank of Virginia	✓	✓		✓	✓		✓		✓	✓			✓
Guaranty Bank	✓	✓		✓		✓							✓
Neighborhood National Bank	✓		✓	✓	✓	✓							✓
One Pacific Coast Bank	✓		✓	✓	✓	✓	✓	✓	✓				✓
Southern Bancorporation	✓	✓		✓	✓								✓
Sunrise Banks	✓	✓		✓		✓	✓	✓	✓				✓
United Bank	✓	✓	✓	✓									
# Banks	**10**	**8**	**5**	**10**	**6**	**5**	**4**	**2**	**3**	**1**	**1**	**0**	**8**

VI. Data Collection Systems

Effective data collection systems are a key component of any CDFI's efforts to track and evaluate its performance in creating desired impact outcomes. A well designed and consistently implemented system will produce reports that management can use for continuous self-assessment of how well it is achieving its community development mission. To identify best practices, the landscape survey asked the banks a series of questions about their methods and systems for collecting and assessing impact data.
Appendix F. Data Collection Systems summarizes the core banking systems and systems used for collecting, aggregating, and analyzing impact data used by the banks. Among the 10 banks, six different core systems are used, with FISERV and Jack Henry being the most frequently cited. Half of the banks reported their software systems by-and-large meet the general needs of their banks. Several banks cited problems with their core systems that are specific to social impact (e.g. too few data fields available for customized data, difficulty in generating reports).

When asked what systems were being used for collecting and analyzing social impact data, nine different software packages were cited with some banks using multiple packages for different tasks. Southern built a custom database for this purpose and is in the process of revamping this system, while other banks are using Salesforce CRM, MS Access, and ITI Business Analytics, typically in conjunction with Excel. Due to ease of use, many banks reported that they simply download data collected from other systems into Microsoft Excel or Access for analysis. Four of the banks surveyed do not have a specialized system for collecting and aggregating impact data. The common denominator for banks that are most satisfied with their systems appears to be the ability to easily customize data fields and reports.

VII. Implementation & Quality Control

When asked about challenges experienced with either internal data collection systems and/or implementation, the most frequently cited concern by the banks was not software, but rather lack of consistent implementation. Several banks cited challenges with loan officers and compliance staff regarding maintaining consistently high-quality data collection and input. Others cited the need for better training and written procedures.

Appendix G. Data Collection Methodologies provides an overview of the processes of each of the participating banks in collecting and analyzing social impact data. Loan officers are on the front line of data collection as the primary point of contact with borrowers. Inputting data and quality control are generally handled by either loan officers or compliance staff. Depending on the size of the bank and its organizational structure, compliance staff and/or staff with appropriate expertise conduct the analysis.

To ensure social impact data is gathered and appropriately logged in a database, some of the banks have implemented or are exploring use of financial incentives for loan officers and others responsible for data input to promote greater accuracy and higher completion rates. Electronic loan application systems, which make the input

mandatory prior to loan approval or closing, appear to be effective tools. The need for more training and written procedures for data collection were frequently cited by the banks.

Some banks use positive incentives to ensure data is properly input:

- Guaranty Bank financially remunerates its compliance officer for the percentage of HMDA data that is input correctly.
- One PacificCoast Bank sends monthly reports to all sales staff and supervisors to highlight data that still needs to be collected.
- Sunrise Bank has developed a worksheet to help lenders organize their collection efforts.

Some banks use negative incentives to ensure data is properly input:

- Central Bank of Kansas City's loan application system is set up to block any loans from reaching the closing stage until all social impact (and other) fields are fully completed.
- Guaranty Bank reports to the Board the number of errors made by each lender on the HMDA reporting form.
- Bank2 is contemplating instituting a loan officer grading system that would count the number of loan officer errors and reduce individual compensation if a certain error percentage was exceeded.

Some banks combine positive and negative incentives:

- Southern is considering both positive and negative incentives to increase data collection rates from current 20% levels. The bank is now developing an impact screen for its loan application software that will require loan officers to complete all fields before a loan can move through the approval process. Before the screen goes live, Southern will train its staff on (1) how to use the system, (2) reasons why the data is needed to help the bank achieve its mission, and (3) financial incentives for high completion rates versus monetary fines for failing to complete a certain percentage of the data points.

VIII. Organizational Culture

One of the most frequently cited success factors in creating an effective impact assessment system is creating an organizational culture that values social impact data as a key tool for achieving mission and organizational goals. The CDBs with the most robust social impact measurement systems have backing from the top (at the board and senior management level), support in the middle (senior staff dedicated to managing the tracking, analysis, and reporting process), and buy-in from the bottom (loan officers, data entry personnel). In a question about what strategies were most effective for gathering and utilizing impact data, CCBV stated the first priority is to have "a top-of-the house leader who wants to know this information" — someone who pushes the social impact agenda. Southern also discussed the importance of support from the top (e.g. CEO, Board Chairperson). Both of these banks routinely provide progress reports to all staff. Southern's senior staff overseeing its data collection efforts report to senior management formally every other month and informally on a weekly basis. CCBV shares impact information with the entire staff on a monthly basis. Additionally, Southern noted that it is critical for banks to create cultures of data collection because "in order to be successful at raising capital (whether from the CDFI Fund, depositors, or investors), community development banks are going to have to build systems to track loan-level data, direct benefit in terms of shareholders, investors, supporters, and understand the difference its lending makes."

Getting "buy in" from staff directly responsible for data collection, input, and quality control is critically important. An untrained or unmotivated staff can undermine the integrity of even the best designed system. One survey participant confided she is the only one in the bank who "really cares" about social impact measurement, making it very difficult to secure loan officer participation in the data collection process. Southern has struggled to maintain consistent quality control over data input by loan officers across its 40 branches. To address this challenge they are implementing new technology and staff training initiatives as previously discussed. Creating financial incentives to encourage staff performance can also be a powerful tool. Involving staff in the planning process and soliciting suggestions for strategies to efficiently collect the most critical data were also cited as good ways for creating "buy in" and building a supportive organizational culture.

CCBV provides a good example of how a bank can create a culture that supports social impact data collection. The bank's VP for Data Management and Website stated that initially, social impact data collection was viewed as just "one more thing you (loan officers) have to do" in order to get a loan to closing. But, he stated that CCBV spent a lot of time and effort communicating to the lending staff the importance of collecting this data for the bank. Importantly, the bank's President and CEO is a leading driver of this commitment to data collection – she consistently reiterates to all staff why this data is important and how it is used both inside and outside the bank. In fact, the impact tracking report for loans and financial services is sent to all employees monthly for their review and knowledge. That report is then forwarded onto the Board of Directors quarterly and periodically to a community advisory council (a third-party advisory group to the bank).

IX. Planning, Goal Setting & Strategy Alignment

Creating an effective social impact data collection system must be intentional; thus, planning is critically important. The first step is deciding what kinds of changes the bank wants to create within its community. Ideally the CDB should review its strategies, operations, products, services, and output and outcome data to ensure they tie together to support achieving its desired impact.

Launching a social impact collection system may seem daunting. Banks that have implemented systems agree the task is a big one. The task, however, can be broken into smaller practical steps. Banks just beginning to formulate an impact collection program can start with the output indicators they already track. Intermediate outcome indicators can be added over time as the bank fleshes out its social impact strategy, develops its human resource plan, and builds its data collection systems. Bank2 provides a good example of how staying focused when laying a foundation can help build a streamlined, yet impactful system (see

Case Study 3: Making Impact Data Collection Intentional and Focused).

CDBs should consider the long-term changes they wish to see in their target communities as part of planning. From there, end outcome indicators can be selected, followed by intermediate outcome measures that allow the bank to see medium-term progress towards their over-arching goals. Banks that intentionally select impact indicators that allow them to better understand the dynamics of the communities they serve seem to have better tracking, analysis and reporting systems than others. Southern provides a good example of the importance of planning around achieving long-term community impact goals (see *Case Study 4: Strategic Planning for Social Impact Data Collection*).

When banks were asked to share some effective strategies for collecting and using their data, many of the answers involved fairly simple, straight-forward steps:

- Neighborhood National Bank urges other banks to "geo-code, geo-code, geo-code" both loans and deposits. They advise the information from this exercise will go a long way toward helping banks understand "how well they are serving the communities they are supposed to serve."
- Southern suggests the data needed by the industry "is already there—it just needs to be re-purposed, better mined, and better reported in a centralized data collection system."
- Sunrise Bank says, "Start with the data you have now to create a 'Version 1' set of impact indicators. Then as time and resources permit, add 'Version 2' data. But for now…just go!"
- United Bank hired an outside consulting firm to conduct an analysis of its current impact metrics and to make recommendations on how to enhance the data it collects. United recommends "taking data that you already collect in narrative form and creating separate metrics for it – quantify what you're collecting!"

Taking intentional but achievable first steps are critical to long-term success.

X. Dedicating Resources

Survey participants who are deeply engaged in social impact measurement all confirm that the data collection and analysis process can be costly given the financial and personnel resources needed to develop an effective tracking system, continuously gather and analyze the data, and report on progress. Despite the costs, CDBs that have already built systems report that the expenses are a necessary part of doing business if an institution wants to, in the banks' own words:

- "Clarify its business model."
- "Build a culture around its mission."
- Ensure it is "not wasting time or throwing good money towards projects that are not having an impact."
- "Help employees understand their role in carrying out the bank's mission, thereby increasing employee loyalty."
- "Tell the public what a positive impact CDBs are having."
- "Improve [service to customers]. You have to know what's going on. If you do, it can be transformative. Banks can learn a lot just by studying their own data."

CCBV advises that data collection does "take time and costs money. So, banks have to be selective about what they collect and why they want it." The CCBV leadership team discusses "what indicators we want to collect, what we might change, why we might change it, and what the outcome of any changes could be. It's a good process. We're not collecting anything we don't need."

There are a number of ways to streamline the data collection process including (1) collecting data on communities served that are already available from third party sources (see previous discussion; sources listed in *Appendix F. Data Collection Systems*); (2) using an electronic loan application system to immediately funnel data to a social impact database; and (3) asking borrowers for reports they already generate for other purposes that can be used for social impact purposes (e.g., audit, employer's federal quarterly tax returns, Form 990 for nonprofits, payroll reports). Software systems that can be easily modified or updated by internal staff allow for banks to *gradually* develop social impact measurement systems to meet their specific needs.

CCBV estimates that building their comprehensive (financial and social impact data) online loan application system and customizing their core processor required about 1/3 of the time of their VP for Data Management, in conjunction with a database coder for 10-12 hours a month, for six months. Currently, it takes the bank 5-6 total work days per month to complete all of the collection, analysis, and reporting requirements. Senior management estimates that this process costs $50,000 per year. Bank President Jane Henderson notes that "while $50,000 may sound like a lot, we easily make that up with discounted funding (or mission funding). One way to look at it is this: It only takes about $5 million of deposits or debt at 1.00% below market rates to pay for data collection. Most of our members get more than that from foundations, the CDFI fund, or other government programs."

Southern provided a similar estimate. The bank estimates that it cost $200,000-$250,000 for the complete creation of their custom database, including technical costs and employee training. Senior management stated their collecting and reporting process requires 1 full time staff member as well as the loan processing department for both the bank and its nonprofit affiliate. Senior management noted, however, that the "technical solution is just a tool – it should be used not just to ensure that data can be collected but that so it is collected."

XI. Best Practices and Recommendations

As a result of this landscape survey, CARS and CDBA suggest the following recommendations for the community development banking sector.

Create a Supportive Culture. Create an organizational culture that makes social impact measurement a priority throughout the organization. Engage the Board, management, and implementation staff (e.g. loan officers, compliance staff) in planning, and offer training and incentives for those who support data collection efforts.

Be Intentional. Creating an effective social impact assessment system must be an intentional process. Planning is critically important to identifying the community change a CDB wants to achieve and selecting metrics that align well with those goals. Ideally, a CDBA should review its strategies, operations, products, services, and output and outcome data to ensure they tie together to achieve its desired outcomes.

Peer Sharing. CDBs should identify and share best practices among themselves, as well as with CDFIs from other sectors (e.g. CDFI loan funds and credit unions). Tracking social impact is a challenge shared by the entire CDFI industry. Many good models and best practices can be found outside of the CDB sector.

Costs. Recognize up front that (1) creating an effective impact assessment system will require resources; and (2) developing a system is incremental, evolutionary processes that will take place over a number of years so associated costs do not overwhelm the institution. Strategies to mitigate costs include planning, studying lessons learned and best practices of others, and using technology.

Mine Cheap Data Sources. Explore how to use secondary data sources in combination with geo-coded loan and other transaction data that are already available to the CDB. Secondary data from government and private proprietary sources are relatively inexpensive to access and can be used to track community change over time. Identifying a set of common secondary data indicators that is useful for all CDBs may be beneficial for promoting industry consistency and aggregating data across the sector.

Manage Borrower Data Restrictions. Learn from CDB peers that have developed strategies to manage regulatory restrictions on borrower characteristics. For example, Southern and CCBV have developed systems to allow collection of borrower characteristics that mitigates regulatory concerns that such data not influence loan decisions.

Create an Evaluation Cycle. Create an internal feedback loop with the data collected—that is, analyze the data; determine if the desired and anticipated results are being achieved; and if not, engage management and staff to develop alternative or refined strategies, products and services. Data will help a bank better understand its markets. A CDB should use data and findings to inform future business strategies that will drive toward achievement of impact goals.

Optimize Customization. The common denominator among CDBs most satisfied with their data collection systems was software packages that facilitated customization of data fields and/or in-house databases that used flexible technology (e.g. MS Excel, MS Access) and can be modified as the needs of the organization change. ■

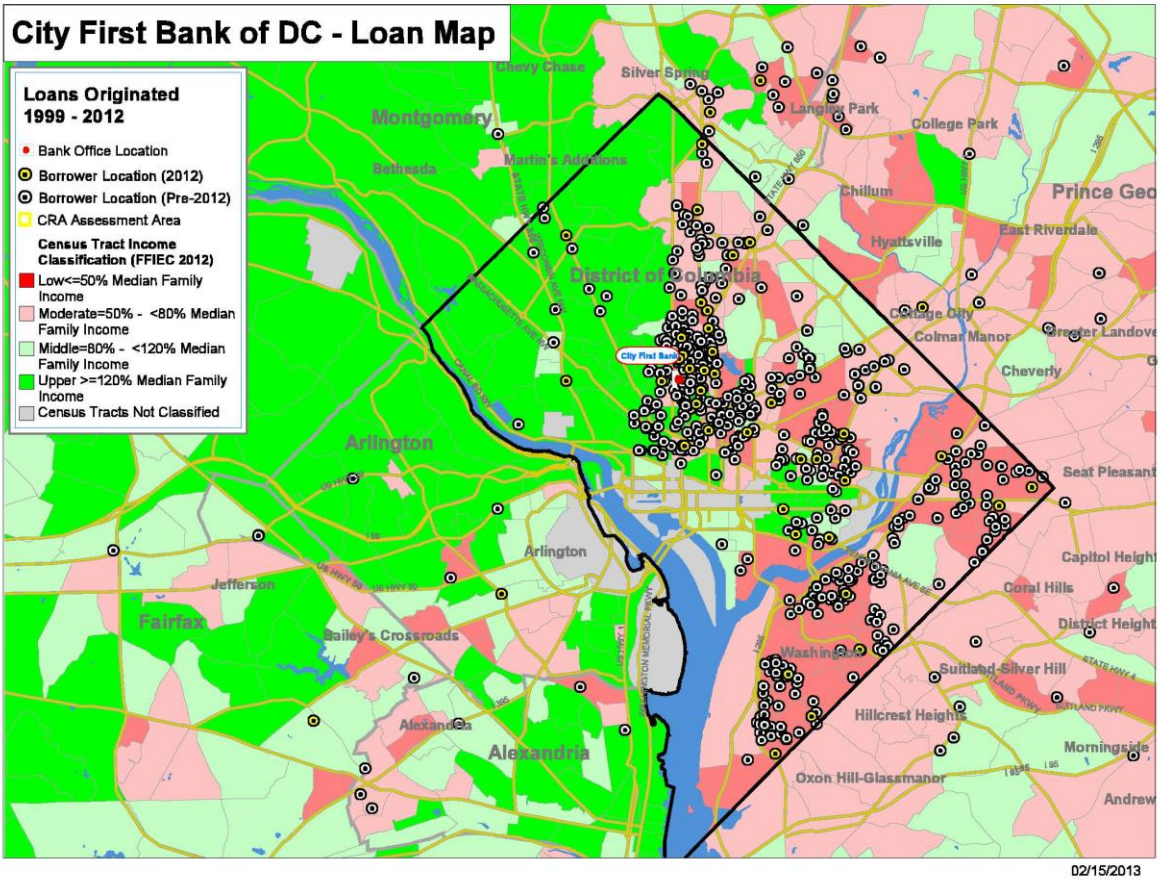
Case Study 1: Using Secondary Data Sources to Understand Your Impact

Secondary data (data that a bank does not directly collect itself) can be a valuable source of information to understand a CDFI's market context, make decisions about how to target resources, and track community change over time – particularly if a CDFI bank employs a place-based impact strategy. Secondary data is collected by "third parties," including the U.S. Census, other government agencies, academic, and/or proprietary sources. Two banks that utilize secondary data extensively are **City First Bank of DC** and **Neighborhood National Bank**.

Telling Your Story with Census Tract Data: City First Bank of DC (City First) combines loan address and census tract data to paint a compelling picture about its strategy and focus. City First was founded in 1997 with a mission to provide financial and other services in low-to-moderate income communities in Washington, DC. The bank targets specific underserved neighborhoods east of 16th Street NW with a focus on Wards 7 and 8, which include the most economically challenged areas of the city. City First also serves low- and moderate-income suburbs. For 2012, the bank reported that they originated 52 loans, 81% of which were for community development, totaling $43 million for affordable housing, community facilities, and small, local businesses.

The bank has set a goal of originating mission-related loans as the vast majority of its business – loans that are in low- to moderate-income tracts or for projects that, based on income eligibility restricts, benefit low-income or moderate-income families and individuals. From a program delivery perspective, City First uses the census tract data as a "screen" for most deals. If a loan is not in a targeted area, the loan officer needs to be prepared to make the case and provide evidence about to how the loan otherwise support's the bank's mission.

To track its lending, the bank completes an annual assessment that is reviewed by executive management and the Board of Directors. This assessment validates the impact of lending and investment activities. Among the metrics measured are location of loans by census tract income-levels and quantified data on people served, including job creation, affordable housing units financed, and public school children served. The Bank also creates a map (below) which serves as a pictorial depiction of its loan concentration in low to moderate income neighborhoods. The loan map overlays the bank's loans onto DC's census tracts, coded by the census tract's percentage of Area Median Income. The map gives a snap shot view of the bank's loan impact and illustrates the volume of service in low and moderate income communities.



Tracking Neighborhood Change and End-Outcomes Over Time: Neighborhood National Bank (Neighborhood National) has taken the use of census tract data a step further by using it to measure progress in improving targeted urban neighborhoods in the San Diego region. Primarily a small-business lender, Neighborhood National focuses on tracking jobs data that results from its business loans and census tract-based data to identify neighborhood change.

The chart below aggregates the bank's lending activity within the San Diego region over time (2006-2010) using only five measures – (1) loan addresses geocoded by (2) census tract, (3) total number and dollar amount of all loans, (4) total number and dollar amount of business loans, and (5) total employees at businesses financed. Using the census-tract coded for each loan, the bank can identify how much of its lending is concentrated in high-poverty, high-unemployment, high-minority, and/or LMI areas. The chart outlines how the bank tracks its impact using indicators collected directly from its borrowers as well as secondary data sources.

In addition to the data aggregated in this chart, Neighborhood National supplements its data with information from the San Diego Association of Governments (SANDAG), San Diego's regional planning agency.[4] SANDAG maintains a data collection arm and mapping group that collects a variety of data on an annual basis. For example, with only a census tract for a particular borrower or project, Neighborhood National can compile detailed information about that census tract, such as percentage of households with English as a second language, which can inform program delivery strategies and marketing efforts. Furthermore, the bank utilizes data from an economist at a local university to receive monthly reports on the economic climate of the region (indicators include building permits, unemployment insurance, stock prices, consumer confidence, help wanted advertising, and others).[5]

[4] San Diego Association of Governments. See http://www.sandag.org/.
[5] Associate Professor of Economics Alan Gin. University of San Diego. http://home.sandiego.edu/~agin/ and http://www.sandiego.edu/~agin/usdlei/.

NNB IMPACT IN THE SAN DIEGO REGION: 2006-2010

NNB LOANS

	NUMBER	AMOUNT
Total Lending	450	$123,800,000
Business Lending	256 (57% of all loans)	$54,200,000
Small business lending	179 (70% of all business loans)	$33,600,000

JOBS SUPPORTED

Jobs supported at business borrowers	2,470
Dollars loaned per job supported	$21,900

PERCENTAGE OF DOLLARS IN TARGET AREA[1]

	High Poverty Areas	High Unemployment Areas	High Minority Areas	LMI Areas
All loans	15%	18%	64%	71%
Business loans	11%	17%	58%	67%

NNB DEPOSITORS

All depositors (n=309)	48%	69%	83%	74%

Source: "Be the Change! Neighborhood National Bank Community Impact Report." Ben Thornley and Tom Woelfel, Pacific Community Ventures. 2011. http://www.mynnb.com/press_release/Impact%20Report.pdf.

Tracking all of this data over time tells a powerful story about the change taking place in Neighborhood National's target neighborhoods. This story is a resource for Neighborhood National to both understand its impact and communicate it to investors and depositors. For example, analysis of census tracts from 2005 to 2010 showed that most of the communities improved economically. Tracts that were low-income improved to moderate-income, along with decreases in the poverty levels. The manner in which Neighborhood National tracks outcome data in specific neighborhoods over times is a good example of how a bank can monitor its long-term impact in these communities. While acknowledging that many factors impact community-level change, Neighborhood National nonetheless views its lending in these communities as transformative because its willingness to engage with these communities catalyzes other institutions to follow suit. The cumulative effect of the bank and other organizations working with these communities creates positive change (as measured by a reduction in poverty, increase in community wealth and prosperity, community stabilization, etc.) over the long term.

Case Study 2: Overcoming Regulatory Barriers to Data Collection

Community Development Banks seek to collect and analyze social impact data to understand how effectively they are serving their target markets and to ensure alignment of strategies and operations with achievement of mission related goals. Yet, CDBs face regulatory challenges in collecting a complete set of demographic data on their customers. The four regulations that primarily affect social impact data collection are the Community Reinvestment Act (CRA), the Home Mortgage Disclosure Act (HMDA), the Fair Housing Act (FHA), and the Equal Credit Opportunity Act (ECOA).[6]

CRA regulations impact small business and small farm lending as well as community development lending (defined as affordable housing, community services, economic development, and community revitalization or stabilization). For small business and small farm lending, CRA requires lenders to report the loan amounts, location, and whether the loan was made to a business or farm with less than $1 million in revenue. For community development loans, CRA requires lenders to report the aggregate number and amount of community development loans originated or purchased during the prior calendar year.[7]

HMDA affects home mortgage lending by banks, including loans used for home purchase, refinance, and renovation. For each transaction the lender reports data about the loan, such as its type and amount, the property, such as its location and type, the disposition of the application, such as whether it was denied or resulted in an origination; and the applicant, (namely, ethnicity, race, sex, and income).[8]

FHA affects all housing lenders. The act prohibits creditors from discriminating because of race, color, religion, sex, handicap, familial status, or national origin in the sale, rental, or advertising of dwellings, in the provision of brokerage services, or in the availability of residential real estate-related transactions.[9]

ECOA applies predominantly to consumer loans, including car loans, credit cards, overdraft protection programs, and student loans. The regulation prohibits creditor practices that discriminate on the basis of any of these factors: race, religion, marital status, color, national origin, sex, age, receipt of any sort of public assistance, and exercising in good faith rights under the Consumer Credit Protection Act. In addition, creditors are forbidden from *asking for* the race, color, religion, national origin, or sex of borrowers.[10] Importantly, although ECOA applies to home loans as well as consumer loans, the regulation makes an exception for mortgage lending to allow creditors to collect the necessary data required by HMDA.[11]

Two CDBs that have made significant progress towards overcoming these regulatory barriers to impact data collection are **Southern Bancorp** and **Community Capital Bank of Virginia (CCBV)**.

Southern: Southern collects demographic data on every client (see *Appendix B. Impact Indicators Currently Collected by Survey Participants*). The bank houses these statistics outside of their core loan processing database to safeguard against data being used to influence loan decision-making. The chart on the next page illustrates this process:

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[6] The Community Reinvestment Act (CRA) was enacted by Congress in 1977 and is implemented by Regulations 12 CFR parts 25, 228, 345, and 563e. The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and is implemented by the Consumer Financial Protection Bureau's Regulation C. The Fair Housing Act was originally enacted in 1968 and is implemented by the U.S. Department of Housing and Urban Development (24 CFR Vol. 1 Subtitle B). The Equal Credit Opportunity Act (ECOA) was enacted by Congress in 1974 and is implemented by the Consumer Financial Protection Bureau's Regulation B.

[7] See http://www.ffiec.gov/cra/pdf/2010_CRA_Guide.pdf.

[8] See http://www.ffiec.gov/hmda/pdf/2013guide.pdf and/or http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=159954fa496a4aa94394328e8763fc8e&rgn=div5&view=text&node=12:8.0.2.10.2&idno=12. Additionally, lenders are required to report on a loan's Home Ownership and Equity Protection Act status (15 USC 1639) and to identify the type of purchaser for mortgage loans that they sell.

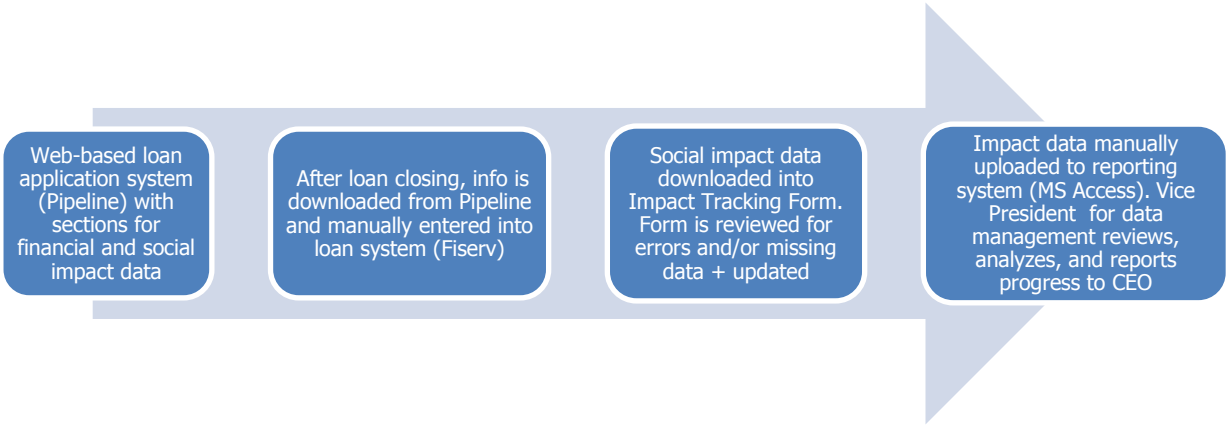
[9] See http://www.justice.gov/crt/about/hce/title8.php.

[10] See http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=5ae7a987b1b9656fe3b188bf5edea48b&rgn=div5&view=text&node=12:8.0.2.10.1&idno=12 and/or http://www.gpo.gov/fdsys/pkg/FR-2011-12-21/pdf/2011-31714.pdf. See in particular sections §202.4(a) and (b), §202.5(b), and §202.6(b)(1).

[11] See sections §202.5(a)(2) and §202.13.

Southern is currently in the process of revamping its social impact data collection processes and database, but the new system will largely mirror this one in terms of where and how social impact data is stored.

Community Capital Bank of Virginia: CCB has instituted a similar protocol for collecting demographic and impact data using a web based application. The chart below illustrates the process:



In the first stage, CCBV's loan officers enter all financial and social impact data collected over the course of interviews and meetings with potential borrowers. This information is entered into Pipeline, the bank's web-based loan application system. Once a loan has been closed, the bank's loan set-up group downloads all of the information out of the Pipeline system in pdfs; social impact data is downloaded into the "Impact Tracking Form." The set-up group then manually enters this data into the loan system. Notably, when the loan set-up group downloads the Impact Tracking Form from Pipeline, the form indicates whether there are errors in the data or data is missing from the form. If this is the case, the loan-set up group will go back to the loan officers to correct or collect the missing data. Finally, the information contained in the Impact Tracking form is uploaded into MS Access. It is then evaluated and analyzed presented in a social impact report that is distributed to senior management and the entire bank.[12]

[12] VP for Data Management Tim Mattox noted that CCBV is currently in the process of migrating to Compliance1 as the loan administration system. He is hopeful that this system could become the loan application system as well, and thus streamline data collection and storage efforts further.

Case Study 3: Making Impact Data Collection Intentional and Focused

Identifying a CDFI's goal(s) and what change it seeks to accomplish is critical for selecting the right impact measures and ensuring a bank's products and services are aligned to achieve its goal(s). Social impact measurement is not about collecting a lot of data – it is about getting the *right* data. Selecting appropriate measures can focus the bank and reduce the amount of data collected. For example, a bank may choose to identify one or two primary impact goals it wants to achieve and select a few key metrics to evaluate this impact. **Bank 2** provides a good illustration of how focused goals and priority setting can result in a streamlined and focused social impact assessment system.

Focus on homeownership: Bank2 is a 100% tribally-owned bank with a stated purpose to "help people build better lives." According to Bank President Rod Whitson, the primary impact Bank2 seeks to have is to help Native Americans achieve homeownership as a means of building household assets. While the bank does offer a full range of commercial lending products for Native American business, which include loan guarantee programs of the Bureau of Indian Affairs, USDA, and SBA loans, placing Native American families in their own homes is at the heart of Bank2's vision. The bank has set a goal of helping 10,000 families of any tribal membership achieve homeownership no matter where they live – on suburban, urban, or tribal trust land.

Evaluation metrics: To assess whether the bank is achieving this home ownership goal, Bank2 tracks the number of home purchases it has financed. Bank2 has defined its "community" to include Native Americans of all tribes, a geographically dispersed population. Thus, the bank has a people-based impact focus (instead of a place-based impact focus). In additional to traditional underwriting information, the bank collects data on the number of home mortgage loans originated, borrowers' tribal affiliation, race/ethnicity, owner occupancy, and number of loans made "when no other lender would." In addition, the bank supplements the borrower data with third party sources on census tract and metro/non-metro status. Since setting its goal in 2004, the bank has enabled 3,400 Native American families from 200+ tribes to become home owners. Among its borrowers 15-20% received a loan when no other lender would provide credit, often due to the legal status of trust lands or remote geographic areas. The portfolio has low delinquency rate despite other lenders' denying credit.

Data collection philosophy: Bank2 noted that they have deliberately pursued a strategy of "quality over quantity" in impact data collection. In the future, the bank would like to collect additional indicators (e.g. number of home loan borrowers that receive homeownership counseling or down payment assistance; tribal revenues from gaming, and economic development indicators, such as unemployment). To control costs in the near term, however, Whitson has determined that it is most strategic to focus its efforts on consistently collecting only the most important indicators toward its goal of helping 10,000 families become home owners.

Data collection purpose: For Bank2, its strategy of emphasizing quality over quantity helps make the data collection truly valuable to the bank. The data has helped Bank2 to focus its product delivery and outreach strategies through tribal organizations. Because many mortgage lenders are often insensitive to the best interests of Native populations and tribes, Bank2 must tell a clear story, backed up with statistics, to prove that the bank is mission driven in order to gain the tribes' trust. The Bank shares its home ownership progress statistics with its Board of Directors, as well as with the tribes themselves. With a primary focus on homeownership and a few well-chosen indicators, the Bank2 is able to continually improve its service to and enhance impact with Native American communities.

Case Study 4: Strategic Planning for Social Impact Data Collection

What is the change a CDB wants to make within its community?

This is the first question for a CDFI to ask when designing a social impact strategy and corresponding data collection system. Thinking strategically about what the bank wants to accomplish and how it will know if it is successful is at the core of a well-designed system. Data collection efforts should give the CDB a continuous flow of information to measure progress toward meeting its "change" goals. **Southern Bancorp** provides a good model for CDBs wishing to engage in a thoughtful social impact planning process.

3 Transformational Goals (End Outcomes): With the objective of "permanently revitalizing" the populations they serve, Southern's leadership identified "Three Transformational Goals" in 2010. Leadership aspired to play a significant role in addressing chronic economic challenges of its highly distressed Mississippi Delta region. Working with a range of local stakeholders, their goal was to facilitate long-term positive community change in the areas of: (1) poverty reduction, (2) full employment opportunities, and (3) educational attainment.

To assess progress toward achieving its Three Transformational Goals, Southern selected a set of impact measures that focus on improvement in long term community outcomes. These long term outcome measures are:

- Reduction in the poverty rate (percentage of individuals with annual incomes less than the poverty thresholds);
- Improvement in the employment rate (percentage of individuals 16 years or older who are employed); and
- Increase in educational attainment levels (percentage of individuals 25 years or older with an Associates' degree or higher).

For each transformational goal, Southern seeks to close the gap between the national and county-wide rate by 50% over 20 years.

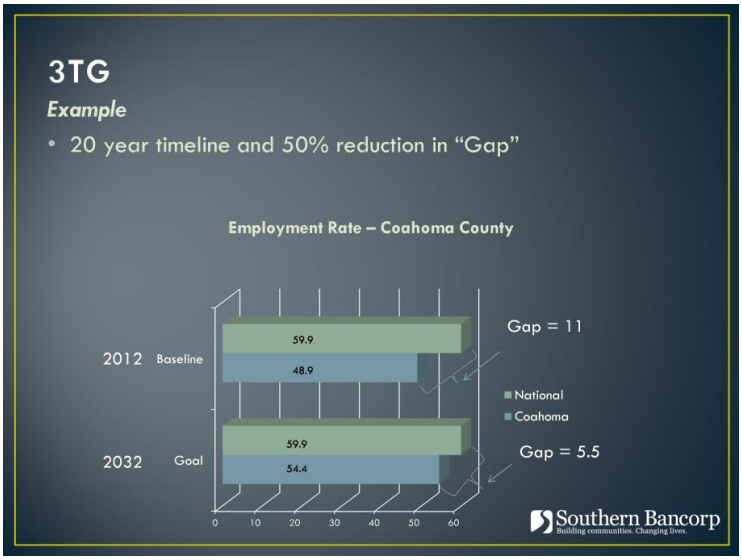


Figure 1 Example of Transformational Goal

Five Pillars of Community Development (Intermediate Outcomes): Given that the 3TGs are 20-year goals, management identified a need to collect metrics that would allow the bank to analyze program performance and community impact over the interim period. As part of aligning its strategies toward its goals, Southern chose to focus on its "Five Pillars of Community Development": (1) housing, (2) economic development, (3) education, (4) health, and (5) leadership. The program initiatives of its nonprofit affiliate and the products and services of the bank have been organized around the Five Pillars as well.

Social Metrics Program: Southern next selected specific indicators that represented each Pillar, all of which had to be:

- Actionable
- Academic and/or statistically linked to one or more of the 3TGs
- Produced by a scientific data collection process
- County-level measures; and
- Updated and available on a regular basis (versus a one-off study)

To select which indicators Southern would track for all of its loans, the bank catalogued all the indicators required for regulators, government and other funders, and its 3TGS and Five Pillars of Community Development. Focusing on the most critical of these indicators (approximately 80), the bank is in the process of creating a data collection flow chart that maps the process of collecting, storing, and analyzing each indicator at every stage of the process.

Examples:

- Under its housing pillar, for example, Southern analyzes the percentage of owner- and renter-occupied housing units by county – statistics they get from the annual American Communities Survey performed by the Census Bureau.
- To monitor health-related measures, the bank pulls data on teen pregnancy, obesity, and drug rates from the Arkansas Department of Health.
- To assess changes in educational achievement Southern examines information compiled by the National Office of Research on Measurement and Evaluation Systems at the University of Arkansas and by the Mississippi Department of Education, such as literacy and math proficiency rates, graduation rates, and ACT scores.

In total, the bank tracks 48 intermediate indicators of community health. (See *Appendix B. Impact Indicators Currently Collected by Survey Participants* for a full listing of the collected indicators). "Our founders and shareholders gave us a mandate to help revitalize the most distressed rural communities," states Dominick Mjartan, Senior Vice President at Southern Bancorp. "We translated that mandate into tangible goals that guide our bank and philanthropic investments while holding us accountable to all of our stakeholders."

Appendix A. Survey Participants

1. Bank2
2. Central Bank of Kansas City
3. City First Bank of DC
4. Community Capital Bank of Virginia
5. Guaranty Bank
6. Neighborhood National Bank
7. One PacificCoast Bank
8. Southern Bancorp
9. Sunrise Banks
10. United Bank

Appendix B. Impact Indicators Currently Collected by Survey Participants

Name of Measure	Bank2	Central Bank of Kansas City	City First Bank of DC	Community Capital Bank of Virginia	Guaranty Bank	Neighborhood National Bank	One PacificCoast Bank	Southern Bancorp	Sunrise Banks	United Bank	# Collected by Banks
01 LOAN-SPECIFIC	**8**	**7**	**8**	**8**	**7**	**4**	**5**	**4**	**4**	**7**	**62**
Output(s)											
# Loans Made When No Other Lender Would	1										1
Loan Amount	1	1	1	1	1	1	1	1	1	1	10
Owner Occupancy Of Property	1	1	1	1	1					1	6
Property Type	1	1	1	1	1					1	6
# Loans Originated	1	1	1	1	1	1	1	1	1	1	10
$ Loans Originated	1	1	1	1	1	1	1	1	1	1	10
Loan Purpose - Home Mortgage (HMDA)	1	1	1	1	1					1	6
Loan Purpose - Small Business (CRA)	1	1	1	1	1	1	1	1	1	1	10
Loan Purpose - All Loans			1	1			1	1			3
02 BORROWER CHARACTERISTICS	**5**	**8**	**6**	**9**	**4**	**5**	**3**	**8**	**6**	**8**	**61**
Output(s)											
# Women & Minority Owned Business				1			1			1	3
# Women Owned Businesses				1							1
# Women-Owned (NMTC)		1	1	1				1	1		5
# Minority-Owned Business				1						1	2
# Minority-Owned Business (NMTC)		1	1	1				1	1		5
# Native American Tribes Served	1										1
# Low Income Persons Served (Estimate)		1	1	1				1	1		5
% LMI	1	1	1	1	1	1	1	1	1	1	10
Age						1				1	2
Marital Status						1				1	2
Sex	1	1			1	1				1	5
For-Profit / Non-Profit Status	1	1	1	1	1	1	1	1	1	1	10
Race / Ethnicity (ECOA)											
Race / Ethnicity (HMDA)	1	1			1					1	4
Race / Ethnicity (NMTC)		1	1	1				1	1		5
Outcome(s) - Long Term											
Δ % Educational Attainment								1			1

Name of Measure	Bank2	Central Bank of Kansas City	City First Bank of DC	Community Capital Bank of Virginia	Guaranty Bank	Neighborhood National Bank	One PacificCoast Bank	Southern Bancorp	Sunrise Banks	United Bank	# Collected by Banks
03 LOAN TYPE - HOUSING	**2**	**2**	**3**	**9**	**1**		**4**	**6**	**1**	**1**	**29**
Output(s)											
# Borrowers Financing Purchase Of Foreclosed Homes For Renovation & Resale							1				1
# Mortgages Closed	1										1
$ Gross Annual Income Of Borrower (HMDA)	1	1			1					1	4
$ Housing Cost To Income Ratio								1			1
$ Median Owner Costs For Housing Units With Mortgage								1			1
Outcome(s) - Intermediate											
# Affordable Housing Units - General			1	1			1				3
# New Construction Housing Units				1							1
# New Construction Rehab Units				1							1
# Vacant Units								1			1
% Owner Occupied Housing Units							1	1			2
% Renter Occupied Housing Units							1	1			2
# Sq Ft Affordable Units				1							1
# Sq Ft Housing Units				1							1
# Sq Ft New Construction Housing Units				1							1
# Sq Ft New Construction Rehab Units				1							1
# Housing Units			1	1							2
# Affordable Housing Units (NMTC)		1	1	1				1	1		5
04 LOAN TYPE - BUSINESS	**1**	**2**	**4**	**8**	**2**	**3**	**5**	**6**	**2**	**1**	**34**
Output(s)											
# Businesses			1	1			1	1			4
# Small Businesses			1	1			1	1			4
# Micro-Businesses				1				1			2
# Non-Employee Businesses								1			1
# Business by Industry / NAICS Code		1		1	1		1	1			5
$ Annual Gross Revenue (CRA)	1	1	1	1	1	1	1	1	1	1	10
$ Annual Business Revenue			1	1		1	1		1		5

Name of Measure	Bank2	Central Bank of Kansas City	City First Bank of DC	Community Capital Bank of Virginia	Guaranty Bank	Neighborhood National Bank	One PacificCoast Bank	Southern Bancorp	Sunrise Banks	United Bank	# Collected by Banks
Income Designation as % AMI						1					1
Outcome(s) - Intermediate											
Change In $ Business Revenue				1							1
$ Additional Financing Leveraged With Bank Loan				1							1
05 LOAN TYPE - COMMERCIAL RE		**1**	**5**	**5**		**1**		**1**	**1**		**14**
Output(s)											
# Community Facilities			1	1							2
Outcome(s) - Intermediate											
# Sq Ft Community Facilities			1	1							2
# Sq Ft Developed Commercial Real Estate		1	1	1		1		1	1		6
# Sq Ft New Construction Commercial Units			1	1							2
# Sq Ft Rehab Commercial Units			1	1							2
06 LOAN TYPE - EDUCATION		**1**	**2**	**1**				**1**	**1**		**6**
Output(s)											
% High School Graduate Or Higher (NMTC)		1	1	1				1	1		5
Outcome(s) - Intermediate											
# Charter School Seats			1								1
07 LOAN TYPE - OTHER			**1**	**1**		**1**	**3**	**3**			**9**
Output(s)											
# Borrowers - Clean Energy							1				1
# Borrowers - Nonprofit / Social Service			1				1				2
# Borrowers - Sustainable Food & Agricultural Practices							1				1
% Agriculture								1			1
# Businesses / Organizations Impacted				1							1
$ Annual Consumer Income						1					1

Name of Measure	Bank2	Central Bank of Kansas City	City First Bank of DC	Community Capital Bank of Virginia	Guaranty Bank	Neighborhood National Bank	One PacificCoast Bank	Southern Bancorp	Sunrise Banks	United Bank	# Collected by Banks
Outcome(s) - Intermediate											
Tourism: Person Trips								1			1
Tourism: Total Travel Related Expenditures								1			1
08 JOB INDICATORS		**2**	**6**	**10**		**2**	**1**	**4**	**2**	**1**	**28**
Output(s)											
# Jobs At Loan Closing			1	1		1					3
# Living Wage Jobs At Loan Closing				1							1
# Low-Income Employees			1	1							2
% Manufacturing Jobs								1			1
% Service Jobs								1			1
Outcome(s) - Intermediate											
# Jobs Created / Retained - Actual			1	1							2
# Jobs Created / Retained - Projected		1	1	1		1	1	1	1	1	8
# Jobs Impacted				1							1
# Living Wage Jobs Created / Retained				1							1
# New Hires Unemployed At Time They Were Hired				1							1
# Construction Jobs Created / Retained - Projected		1	1	1				1	1		5
# Construction Jobs Created / Retained - Actual			1	1							2
09 DEPOSITS			**2**	**4**			**4**		**11**		**21**
Output(s)											
$ Deposit Customers			1	1			1		1		4
# Deposit Customers			1	1			1		1		4
$ Deposit Customers - Brokered				1			1		1		3
# Deposit Customers - Brokered				1			1		1		3
$ Deposit Customers Inside CDFI Investment Area									1		1
# Deposit Customers Inside CDFI Investment Area									1		1
$ Deposit Customers Inside Trade Area									1		1

Name of Measure	Bank2	Central Bank of Kansas City	City First Bank of DC	Community Capital Bank of Virginia	Guaranty Bank	Neighborhood National Bank	One PacificCoast Bank	Southern Bancorp	Sunrise Banks	United Bank	# Collected by Banks
# Deposit Customers Inside Trade Area									1		1
$ Deposit Customers Outside Minnesota									1		1
# Deposit Customers Outside Minnesota									1		1
$ Avg Deposit Account Balance									1		1
10 SERVICE			**1**	**6**			**1**	**2**			**10**
Output(s)											
# Service Activities				1							1
# Service Hours				1							1
# Volunteer Hours								1			1
# Hours Served to Top Organizations				1							1
# Organizations				1							1
# Participants Impacted				1			1				2
$ Charitable Giving			1					1			2
Service Focus Areas				1							1
11 EITC								**2**	**2**		**2**
Output(s)											
# EITC Filers								1	1		1
Outcome(s) - Intermediate											
$ EITC - Average Refund								1	1		1
12 PREPAID CARDS									**3**		**3**
Output(s)											
# Prepaid Cards									1		1
$ Prepaid Cards									1		1
$ Prepaid Cards - Revenue									1		1
13 THIRD PARTY DATA - GEOGRAPHIC TARGETING	**4**	**5**	**2**	**10**	**4**	**5**	**5**	**4**	**4**	**4**	**45**
Output(s)											
Location	1	1		1	1	1	1	1		1	7
State	1	1		1	1	1	1	1		1	7
Metropolitan Service Area (HMDA)	1	1		1	1	1				1	6
Metropolitan or Non-Metro		1	1	1				1	1		5

Name of Measure	Bank2	Central Bank of Kansas City	City First Bank of DC	Community Capital Bank of Virginia	Guaranty Bank	Neighborhood National Bank	One PacificCoast Bank	Southern Bancorp	Sunrise Banks	United Bank	# Collected by Banks
Metropolitan Area Name				1		1					2
Census Tract	1	1	1	1	1	1	1	1	1	1	10
Census Tract Underserved Designation				1			1				2
# Loans Inside CDFI Investment Area									1		1
# Loans Inside Trade Area				1					1		2
# Loans To Businesses In LMI Census Tracts				1			1				2
% Benefit for LMI Population				1							1
14 THIRD PARTY DATA - ECONOMIC STATUS / INCOME		**3**	**3**	**4**		**2**		**9**	**3**		**24**
Output(s)											
% Area Median Family Income		1	1	1		1		1	1		6
% Families Below Poverty		1	1	1				1	1		5
% Poverty Rate (NMTC)		1	1	1				1	1		5
$ Census Tract Income Level				1							1
Outcome(s) - Intermediate											
$ Median Household Income								1			1
$ Per Capita Income								1			1
$ Per Capita Market Income (Minus Transfer Payments)								1			1
$ Median Home Value								1			1
$ Median Rent								1			1
Outcome(s) - Long Term											
Δ % Poverty Rate						1		1			2
15 THIRD PARTY DATA - EMPLOYMENT STATISTICS		**1**	**1**	**1**		**2**		**5**	**1**		**11**
Output(s)											
% In Labor Force		1	1	1				1	1		5
Outcome(s) - Intermediate											
Average Wage By Sector								1			1
Local vs National Unemployment Rate						1					1
Δ % Unemployment Rate						1		1			2

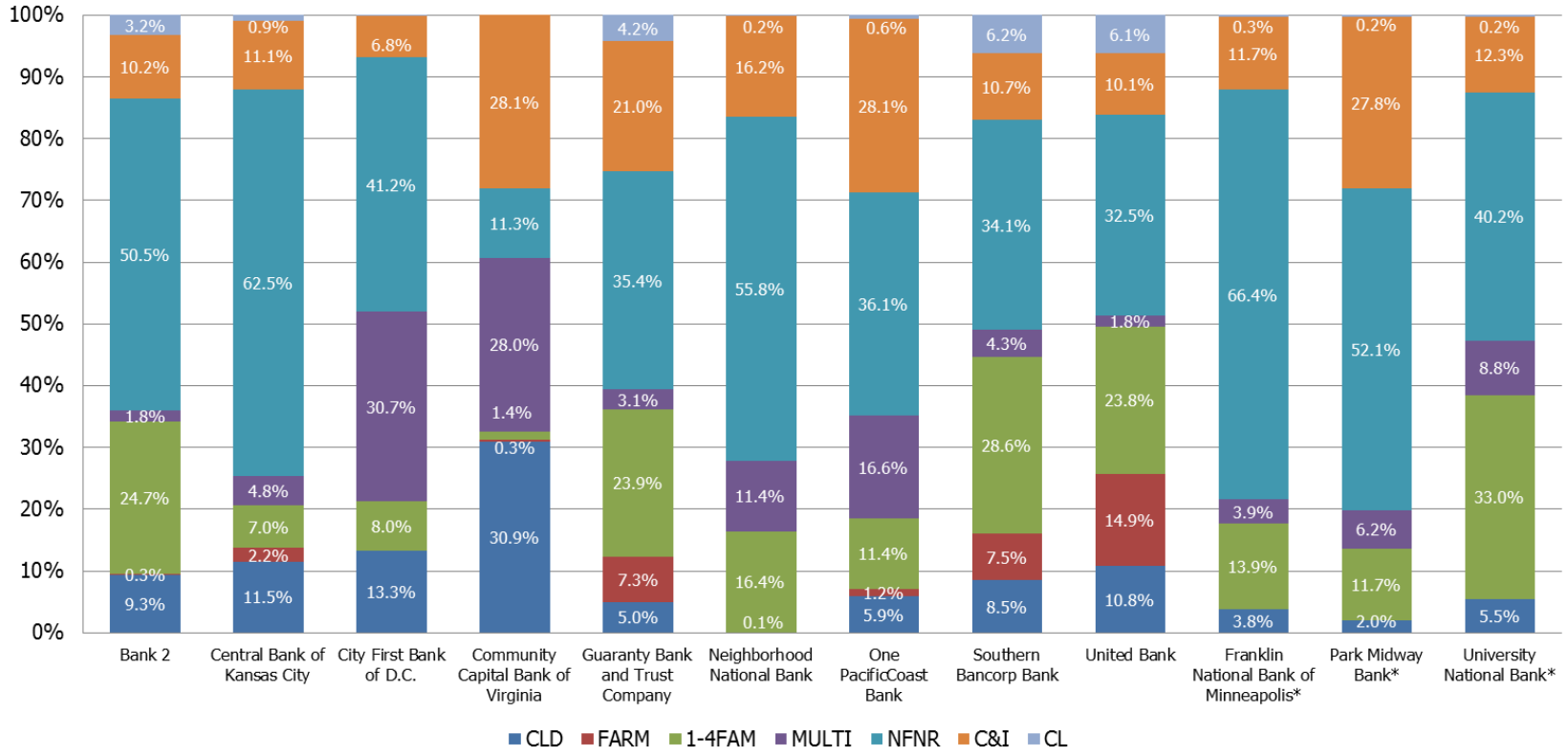
Name of Measure	Bank2	Central Bank of Kansas City	City First Bank of DC	Community Capital Bank of Virginia	Guaranty Bank	Neighborhood National Bank	One PacificCoast Bank	Southern Bancorp	Sunrise Banks	United Bank	# Collected by Banks
Δ Total Employment								1			1
Outcome(s) - Long Term											
Δ % Employment Rate								1			1
16 THIRD PARTY DATA - HEALTH								**8**			**8**
Outcome(s) - Intermediate											
Δ Drug Usage								1			1
Δ % Adults Reporting No Exercise In Past 30 Days								1			1
Δ % Infant Mortality Rate								1			1
Δ Fluoridated Water								1			1
Δ % Low Birth Weight Babies								1			1
Δ % Obesity Rate (Students and Adults)								1			1
Δ % Adults Meeting Physical Activity Recommendation								1			1
Δ % Teen Pregnancy Rate								1			1
17 THIRD PARTY DATA - OTHER: COMMUNITY WELL-BEING		**1**	**1**	**1**		**1**		**8**	**2**		**13**
Output(s)											
# Population						1		1			1
Population Age Distribution								1			1
% Owner-Occupied Housing		1	1	1				1	1		5
Outcome(s) - Intermediate											
Δ % Crime Rate								1			1
Δ Crime Convictions								1			1
Δ Lands For Sale At Auction								1			1
Δ # Single Female-Headed Households								1			1
Δ % Voter Participation								1			1
Outcome(s) - Long Term											
Δ Property Values									1		1
18 THIRD PARTY DATA - EDUCATION								**11**			**11**

Name of Measure	Bank2	Central Bank of Kansas City	City First Bank of DC	Community Capital Bank of Virginia	Guaranty Bank	Neighborhood National Bank	One PacificCoast Bank	Southern Bancorp	Sunrise Banks	United Bank	# Collected by Banks
Output(s)											
% Of Teachers Completely Certified								1			1
% Graduation Rate								1			1
% High School Remediation Rate								1			1
ACT - % Students Taking Test								1			1
ACT - Average Score								1			1
% Attendance Rate								1			1
Grade 3 Literacy - % Proficient +								1			1
Grade 3 Math - % Proficient +								1			1
Grade 8 Literacy - % Proficient +								1			1
Grade 8 Math - % Proficient +								1			1
% Drop Out Rate								1			1
# Indicators Collected by Banks	**20**	**33**	**45**	**77**	**18**	**26**	**31**	**76**	**43**	**22**	**391**

 # Distinct Indicators (Outputs and Outcomes): 158

Appendix C. Survey Participant Portfolio Composition at Q1 2013[13]

Portfolio Composition by Percentage at Q1 2013



LEGEND

CLD	Construction & Land Development Loans	1-4FAM	1-4 Family Residential Loans	NFNR	Non Farm Non Residential Loans (CRE)	CL	Consumer Loans
FARM	Farmland Loans	MULTI	Multifamily Loans	C&I	Commercial & Industrial Loans		

[13] Appendix C provides figures only for the outstanding portfolios of the 10 banks, which does not include loans sold to the secondary market, repaid, off-balance sheet lending, etc.

Portfolio Composition by Dollar Amount (in thousands) at Q1 2013

Institution Name	CLD	FARM	1-4FAM	MULTI	NFNR	C&I	CL	TOTAL Loans
Bank 2	$5,394	$175	$14,326	$1,032	$29,340	$5,943	$1,861	$58,325
Central Bank of Kansas City	$10,922	$2,065	$6,585	$4,519	$59,181	$10,535	$892	$94,624
City First Bank of D.C.	$18,410	$0	$11,033	$42,511	$57,040	$9,463	$33	$145,458
Community Capital Bank of Virginia	$9,475	$98	$439	$8,579	$3,468	$8,614	$0	$35,596
Guaranty Bank and Trust Company	$17,191	$25,126	$81,950	$10,769	$121,575	$72,140	$14,290	$371,710
Neighborhood National Bank	$46	$0	$10,425	$7,267	$35,573	$10,336	$102	$64,518
One PacificCoast Bank	$11,283	$2,380	$22,037	$32,046	$69,663	$54,178	$1,163	$192,779
Southern Bancorp Bank	$53,605	$47,465	$180,164	$27,069	$214,716	$67,099	$39,174	$677,019
United Bank	$25,356	$34,997	$55,862	$4,195	$76,135	$23,559	$14,229	$260,586
Franklin National Bank of Minneapolis*	$4,260	$0	$15,790	$4,444	$75,315	$13,228	$385	$116,842
Park Midway Bank*	$3,502	$69	$20,912	$11,097	$93,236	$49,799	$437	$188,057
University National Bank*	$6,085	$0	$36,551	$9,724	$44,587	$13,625	$213	$118,182

*As of February 2013, these banks were consolidated into Sunrise Banks

Appendix D. Impact Indicator Wish List

Indicator	Bank2	Central Bank of Kansas City	City First Bank of DC	Guaranty Bank & Trust	Neighborhood National Bank	One Pacific Coast Bank	Southern Bancorp	Sunrise Banks	United Bank	Community Capital Bank of Virginia
# Financial Education Clients That Received Car Loans				✓						
# Financial Education Clients That Received Mortgages				✓						
# Homeowners With Improved Employment Opportunities After Taking Out Mortgage Loan	✓									
# Jobs Created / Retained (Created)				✓						✓
# Jobs Created / Retained (Projected)		✓		✓						✓
# Mortgagees Who Received Homeownership Training Prior To Taking Out Mortgage Loan	✓									
# People Remaining In Home X Years After Taking Out Mortgage	✓									
# Women-Owned Businesses	✓									
Increase In Ability Of Homeowners To Hold Job	✓									
Increase In Personal Wealth Of Homeowners	✓									
Job Quality: Livable Wages		✓	✓							
Prepaid Cards: Features Used By Cardholders								✓		
Race / Ethnicity		✓		✓	✓			✓		
Sex		✓		✓						
Tribal Gaming Revenues	✓							✓		
Δ # Full-Time Employees								✓		
Δ Credit Scores Over Time									✓	
Δ Savings Over Time								✓		
# Banks	**7**	**4**	**7**	**6**	**1**	**0**	**0**	**5**	**1**	**2**

Appendix E. Required and Prohibited Data Types

****Note: Required means that creditors are obligated to request these indicators for each loan/borrower. Prohibited only means that creditors are prohibited from discriminating on the basis of a given indicator, unless otherwise noted.*

	Mortgage		Small-business/Small-farm		Community Development		Consumer		Other[1]	
	Required	Prohibited	Required	Prohibited	Required	Prohibited	Required	Prohibited	Required	Prohibited
Equal Credit Opportunity Act	*For purchases and refinancing of primary residences creditors must request (but applicants are not required to provide):*[2]	--	N/A	Race*	N/A	Race*	N/A	Race*	N/A	Race*
		Color*		Color*		Color*		Color*		Color*
		--		Sex*		Sex*		Sex*		Sex*
	Ethnicity	National origin*		National origin*		National origin*		National origin*		National origin*
	Race	Religion*		Religion*		Religion*		Religion*		Religion*
	Sex	--		Age		Age		Age		Age
	Marital status	--		Marital Status		Marital Status		Marital Status		Marital Status
	Age	Receipt of public assistance		Receipt of public assistance		Receipt of public assistance		Receipt of public assistance		Receipt of public assistance
		Exercising rights under Consumer Credit Protection Act		Exercising rights under Consumer Credit Protection Act		Exercising rights under Consumer Credit Protection Act		Exercising rights under Consumer Credit Protection Act		Exercising rights under Consumer Credit Protection Act
Community Reinvestment Act	*If the bank is subject to HMDA reporting,* the location of each home mortgage loan application, origination, or purchase outside the MSAs in which the bank has a home or branch office[3]	N/A	Unique loan ID number	N/A	# loans originated or purchased	N/A	Unique loan ID number *(optional)*	N/A	N/A	N/A
			Loan amount at origination		$ loan amount originated or purchased		Loan amount at origination or purchase *(optional)*			
			Loan location				Loan location *(optional)*			
			Whether gross annual revenues ≤$1MM				Gross annual income *(optional)*			
Home Mortgage Disclosure Act	Identification number	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Date application received									
	Type of loan[4]									
	Property type[5]									
	Purpose of loan[6]									
	Occupancy[7]									
	Loan amount									
	Request for preapproval[8]									
	Type of action[9]									
	Date of action taken									
	MSA/MD number[10]									
	State and county codes[10]									

	Mortgage		Small-business/Small-farm		Community Development		Consumer		Other[1]	
	Required	Prohibited	Required	Prohibited	Required	Prohibited	Required	Prohibited	Required	Prohibited
	Census tract[10] Ethnicity Race Sex Income Type of purchaser[11] Rate spread[12] HOEPA status Lien status[13]									
Fair Housing Act	N/A	Race Color National origin Religion Sex Familial status Disability status	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Creditors may not request these indicators in addition to not discriminating on the basis of them*

1) Includes Commercial and Industrial, Commercial Real Estate, Multifamily, and Construction and Land Development loans
2) 12 C.F.R CH. II – Part 202 Equal Credit Opportunity Act (Regulation B). §202.13(a)-(d).
3) 12 C.F.R. CH. II – Part 228 Community Reinvestment (Regulation BB). §228.42(b)(3).
4) Conventional, government-guaranteed, or government-insured
5) 1-4 family dwelling, multifamily dwelling, or manufactured housing
6) Dwelling, refinance, or home improvement
7) Whether the property relating to the loan or loan application is to be owner-occupied as a principal dwelling
8) Whether the loan initiated by a request for pre-approval
9) Loan origination, purchased loan, application that did not result in an origination
10) For loans for properties located in an MSA in which the bank has a home or branch office
11) For mortgage loans that are sold within the same calendar year
12) Difference between the annual percentage rate and the applicable average prime offer rate
13) Whether the loan is (or would be) secured by a first or subordinate lien on a dwelling or is not secured by a dwelling

Appendix F. Data Collection Systems

Bank	Core Banking System	System for Collecting / Aggregating Impact Data	System for Collecting / Aggregating Impact Data	CRA Wiz?	Policy Map?	Do Systems Create any Challenges? If so, what?	Data Consistency / Quality Control Problems?
Bank 2	BankPac (Fidelity)	MortgageBot: for mortgages - Web 2.0 / Oracle web-based top-of-the-line software	Excel	No	No	BankPac - have people that can pull the data, but it is not necessarily easy. Data usually winds up in excel spreadsheet for rudimentary analysis.	Data always getting scrubbed for audits or exams, so quality good.
Central Bank of Kansas City	Jack Henry	ComplianceOne (loan processing software)		No	No	Have capacity to create fields for impact data, but not doing so because of regulatory restrictions.	Not really
City First Bank of DC	Horizon	Excel	Excel	No	No	No	No
Guaranty Bank	FIS	FFIS software for HMDA	Excel GeoCoder Pro (to provide census tracts)	No	No	Not using systems for impact data yet, so can't say	It is an on-going battle to get loan officers to input data. So, considering rolling accuracy into performance reviews and hitting lenders "in the pocket" if need be.
Neighborhood National Bank	Fiserv	ITI Business Analytics	Excel	No	No	No	No issues
One Pacific Coast Bank	Fiserv Premier	Salesforce	Excel	No	No	No	Yes: problems emerge during mergers & with those employees who are not as thorough as others. Resolved with training.
Southern Bancorporation	Custom-built	New on-line banking system	Geo-coding system now part of loan system	No	Yes	No	Loan officers do not always submit complete data set. Should be resolved with loan officer training.
Sunrise Banks	Fiserv	Salesforce	Building in-house database for prepaid cards	No	No	Reporting can be difficult with Fiserv	No
United Bank	Jack Henry	ComplianceOne	Excel	No	No	Only have so many fields for different characteristics or properties, so need to make sure they have space available to add data. The systems issue is less of a problem, however, than it is to get loan officers to check a yes/no dropdown box about impact-related data.	One issue they have encountered recently is related to census tract info: data collection hasn't been consistent. Factors vary, but one problem is not knowing which address to use (collateral address vs. business owner's address). There is no manual to help with the process, though there should be some written procedures.
Community Capital Bank of Virginia	Fiserv	MS Access (loan side, automated)	Excel (service side)	No	Yes	No challenges with Access; want to eventually automate collection of service data	Adding impact tab to loan app system really helped with quality of data

Appendix G. Data Collection Methodologies

Participating Bank	Person(s) Collecting Data	Person(s) Inputting / Checking Data	Person(s) Analyzing / Reporting Data	Staff Compliance	Collecting Data not Being Input into System?	Do you use external data to understand social impact?	Greatest barriers to data collection?	Use 3rd Parties to Collect / Compile / Analyze Data?
Bank2	Loan Officers	Most all loan applications are on-line, so data automatically input into system	Internal audit	Contemplating instituting Loan Officer grading system ➡ if certain % of errors, then reduce pay by certain # of basis points.	Personal income	No	Could probably add impact measures to on-line application. Might need CDFI grant to initially support this effort	No
Central Bank of Kansas City	Loan Officers; Personal Bankers	Loan Officers; Personal Bankers	Compliance Officer; 3rd party consultant (from NMTC)	System make NAICS codes mandatory	No	Nothing other than census data	Regulatory. Could make it work from HR standpoint, though would have to consider overall costs	Yes - consultant to collect and put together all NMTC data
City First Bank of DC	Loan Officers	Executive VP of Community Development Finance	Executive VP of Community Development Finance	Impact data collected by loan officers as part of loan underwriting and approval	Yes	Census data	No barrires identified	Geo-coding done manually, then hire small company to plot loans on a map
Guaranty Bank	Loan Officers	Compliance Dept	Compliance Dept	# errors each lender makes on HMDA reporting form reported to board. Compliance person financially remunerated for correct data input	Income data not being put into core system	Census data	No real internal barriers ➡ need to develop social impact data collection processes and then implement with training and practice	3rd party reviews fair-lending and CRA data to report how well doing in penetrating LMI communities
Neighborhood National Bank	Loan Application Processors (hard copy)	Loan Processing Center	Consultant (former employee)	Loan closing check-list used; forms designed to collect all data points	Financial Statements ➡ don't put anything into social impact system	Census data via SANDAG (San Diego Assoc of Gov); Univ. of SD for reports on local economy	Data is available but human resources are a constraint	Pacific Community Ventures put together Community Impact Report
One PacificCoast Bank	Loan Officers	Loan Officers / Compliance Officer	Reporting Analysts	Monthly reports sent to all sales staff & supervisors to ensure data collected	carbon footprint impact report (greenhouse gas inventory analysis by 3rd party)	census data; peer analysis; various academic studies	Including social impact gathering in strategic plan, making it a priority and driving the process by senior management	EcoShift Consulting for greenhouse gas; SVT Group for impact analysis
Southern Bancorporation	Loan officers	Loan Operations (geo-coding), Compliance Officer (CRA), Social Metrics Officer	Social Metrics Officer	Not all loan officers putting in data --> just developed loan tracking sheet to help loan officers	No	Census Data, American Communities Sruvey (every 5 years)	Cultural issue: 3 years ago they bought 4 banks, which had loan officers without knowledge of what a CDFI tracking form was.	External evaluators, Policy Map
Sunrise Banks	Loan Officers, Prepaid Card Dept, Relationship Bankers	Loan Officers, Prepaid Card Department, Relationship Bankers	EVP for Marketing, Communications & Corporate Responibility; Corporate Social Responsibility Analyst	Loan Officers have worksheets and some systems are in place to help with compliance	Property type; NAICS codes	Census data; data from CSFI to help design prepaid cards, county records for property values, GABV to understand defs on sustainable banks, B Corp	Systems, third-parties, bank culture, creating a reliable, verifiable methodology so no one questions integrity of data	Third party does all geo-coding, though they'd like to eventually bring that in-house
United Bank	Loan Officers	Loan Operations Department (nothing automated)	Loan Operations / Director of bank's CDFI Initiative	No procedures or communication regarding impact so loan officers may not see relevancy	No	Census data to understand their footprint and where needs are	Hard to get loan officers to even check a box for data; Info not being coded to a data base	Fund Consulting did 2011 Impact Measurement Analysis. Nothing more than this.
Community Capital Bank of Virginia	Loan Officers (via web-based application system with impact tab that feeds directly into loan system, then into Access), Advisory Services Employees	Loans = via online app with "checking" done via error messages (report must be error-free prior to loan closing). Service = advisory service employees with someone double-checking data	Data Manager	On loan side, can't close loan until system says "error-free." On service side, monthly reminders from Data Manager	Nothing on loan side. On service side, only certain data related to specific grants.	Census data, planning district data, congressional data, tobacco commission	No real barrier - it must takes time and costs money. So, have to be selective about what you collect and why you want it. Leadership team discusses what they want, what they might change, why they might change it, what outcome of change would be. It's a good process. Not collecting anything they don't need.	No

Appendix H. Impact Indicators Required by Regulators & Government Funders

Indicator	CDFI Fund (FA / NMTC / CIIS)	CRA	ECOA	HMDA	Total
# Affordable Homes	✓				1
# Construction Jobs Created (Projected)	✓				1
# Jobs Created / Retained (Projected)	✓				1
# Low Income Persons Served (Estimate)	✓				1
# Small Businesses	✓				1
$ Charitable Giving		✓			1
% Area Median Family Income	✓				1
% Families below poverty	✓				1
% High School Graduate or Higher	✓				1
% in Labor Force	✓				1
% LMI		✓			1
% Owner-occupied housing	✓				1
Age			✓		1
Amoritization Type	✓				1
Amount Charged Off	✓				1
Amount Disbursed to Date	✓				1
Annual Gross Revenue		✓			1
Capacity of Educational Community Facility	✓				1
Census Tract	✓	✓		✓	3
Census Tract (11 digits) (FIPS)	✓				1
Collateral Type	✓				1
Collateral Value at Origination	✓				1
Commercial Real Estate, Sq Ft Developed	✓				1
Community Facility	✓				1
County				✓	1
Date Application Received				✓	1
Date First Payment Due	✓				1
Date of Execution	✓				1
Date of Initial Disbursement	✓				1
Date Originated	✓				1
Days Delinquent	✓				1
Delinquentcy Tracking by variable days	✓				1
Deposit - # of Free Consumer Checking Accounts	✓				1
Deposit - # of Free Consumer Checking Accounts held by low-income customers	✓				1
Deposit - Average Account Balance for all consumers	✓				1

Indicator	CDFI Fund (FA / NMTC / CIIS)	CRA	ECOA	HMDA	Total
Deposit - Average Account Balance for free business checking accounts	✓				**1**
Deposit - Average Account Balance for low-income consumers	✓				**1**
Deposit - Average fees charged for free business checking accounts	✓				**1**
Deposit - Average fees charged to consumers	✓				**1**
Deposit - Average fees charged to low-income consumers	✓				**1**
Deposit - Checking account solely for Non-Profit Organizations	✓				**1**
Deposit - Combination Loan/CD product specifically designed to help people build positive credit histories	✓				**1**
Deposit - Has customer filed for bankruptcy before?	✓				**1**
Deposit - Non-transactional DDA account with debit card access - stored value card	✓				**1**
Deposit - Number of individuals in household	✓				**1**
Equity-Like Features	✓				**1**
Ethnicity			✓	✓	**2**
Fair Value at End of Reporting Period	✓				**1**
Fair Value at Origination	✓				**1**
Female Owner	✓				**1**
For-profit / Non-profit status	✓	✓			**2**
Gross Annual Income of Borrower				✓	**1**
Gross Annual Revenue at Time of Financing	✓				**1**
Guarantee	✓				**1**
HOEPA Status				✓	**1**
IA End Users	✓				**1**
If housing related: How many housing units created with this financing?	✓				**1**
If housing related: How many housing units preserved or renovated with this financing?	✓				**1**
If housing related: Is applicant a first time home buyer?	✓				**1**
If housing related: Will this provide housing to low income?	✓				**1**
Internal External Hour of Assistance to borrower related to this project	✓				**1**
Investee Address - Census Tract	✓				**1**
Investee Type	✓				**1**
Jobs at Reporting Period End	✓				**1**
Lien Position	✓			✓	**2**
LITP End Users	✓				**1**
Loan - # of Alternative to High Interest Payday Advance Loans	✓				**1**
Loan - Amount	✓			✓	**2**

Indicator	CDFI Fund (FA / NMTC / CIIS)	CRA	ECOA	HMDA	Total
Loan - Borrower Credit Score	✓				1
Loan - Borrower Gender	✓				1
Loan - Borrower Income Status	✓				1
Loan - Borrower Location - County	✓				1
Loan - Borrower Race	✓				1
Loan - Business or Individual	✓				1
Loan - Business Type	✓				1
Loan - Date Business Established	✓				1
Loan - Has applicant ever had a previous bank account (not necessarily at our bank)?	✓				1
Loan - Has this loan ever been rejected by another bank or credit union?	✓				1
Loan - How many FTE jobs at time of financing?	✓				1
Loan - Is business controlled (management or board) by minorities, women or below 80% median income?	✓				1
Loan - Is this household headed by a female?	✓				1
Loan - Location	✓	✓			2
Loan - Projected Jobs to be created?	✓				1
Loan - Purpose	✓				1
Loan - Rate	✓				1
Loan - Rate Type	✓				1
Loan - Term	✓				1
Loan - Type	✓			✓	2
Loan Amount		✓		✓	2
Loan and Deposit - Household Income	✓				1
Loan Purpose		✓			1
Loan Status	✓				1
Marital Status			✓		1
Metropolitan or non-metro	✓				1
Metropolitan Service Area (MSA)				✓	1
Minority Owner	✓				1
NAICS Code	✓				1
Number of Times 60 Days or More Delinquent	✓				1
Number of accounts opened, checks cashed, etc. as a result of the related program funded with the Award	✓				1
Number of Times the Loan Was Refinanced	✓				1
Number of Times the Loan Was Restructured	✓				1
Origination Fees	✓				1
Originator Transaction ID	✓	✓		✓	3
OTP End Users	✓				1
Owner occupancy of property				✓	1

Indicator	CDFI Fund (FA / NMTC / CIIS)	CRA	ECOA	HMDA	Total
Points	✓				**1**
Poverty Rate	✓				**1**
Principal Balance Outstanding	✓				**1**
Product Activities	✓				**1**
Project Address - Census Tract	✓				**1**
Property Type				✓	**1**
Purpose of Loan				✓	**1**
Race	✓		✓	✓	**3**
Rate Spread				✓	**1**
Refinanced-Original Transaction ID	✓				**1**
Request for Pre-Approval				✓	**1**
Sex			✓	✓	**2**
Source of Job Estimates	✓				**1**
Square Feet of Real Estate - Total	✓				**1**
State				✓	**1**
Submitter Transmission ID	✓				**1**
Term (in Months)	✓				**1**
Total $ and # of lending activities	✓	✓*			**2**
Total $ and # of lending activities in CDFI Investment Area	✓				**1**
Total $ and # of other activities	✓	✓*			**2**
Total number of commercial real estate properties acquired, developed or rehabilitated.	✓				**1**
Total Project Cost	✓				**1**
Total Project Cost - Public Sources	✓				**1**
Type of Action Taken				✓	**1**
Type of Purchaser				✓	**1**
Total # Indicators	**108**	**11**	**5**	**22**	**146**

* For community development loans